

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

GRAMERCY ADVISORS, LLC;

Plaintiff,

V.

CARLETON A. JONES, III, and  
JOHN A. JONES;

Defendants.

**Civ. A. No. 07cv2809 (LMM)**

**DECLARATION OF MICHAEL E. PETRELLA IN SUPPORT OF MOTION BY  
PLAINTIFF GRAMERCY ADVISORS LLC FOR PARTIAL SUMMARY JUDGMENT**

MICHAEL E. PETRELLA, being of full age, hereby declares and says as follows under penalty of perjury:

1. I am a partner in the law firm of O'Shea Partners LLP, counsel for Plaintiff Gramercy Advisors LLC ("Gramercy") in the above matter. I submit this Declaration in support of Gramercy's Motion for Partial Summary Judgment (the "Motion").

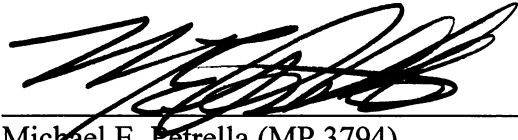
2. The documents attached to Plaintiff’s Statement of Material Facts Not in Dispute Pursuant to Local Civil Rule 56.1 submitted in connection with the Motion (the “56.1 Statement”) are true and correct copies of those documents (and true and correct copies of excerpts where indicated).

3. As indicated in the 56.1 Statement, on or about March 27, 2007 Defendants added Gramercy as a defendant in a lawsuit they had initially filed against BDO Seidman, LLP in U.S. District Court for the Middle District of Tennessee, captioned *John A. Jones and Carleton A. Jones, III v. BDO Seidman, LLP*, Case No. 3:06-CV-1115 (the “Tennessee Action”). The fees

and expenses incurred, through May 31, 2007, by Gramercy in connection with defending against the Tennessee Action (including, but not limited to, preparing and filing a motion to dismiss that action based on, *inter alia*, lack of jurisdiction and failure to state a claim for which relief can be granted), is \$253,078.31.

4. Plaintiff respectfully requests that the Court order the advancement by Defendants to Gramercy of \$500,000, consisting of the \$253,078.31 already incurred, plus an additional \$246,921.69 to cover its fees and expenses going forward in connection with the Tennessee Action and this action (with additional amounts to be advanced on subsequent dates as needed).

Dated: New York, New York  
June 15, 2007



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